

The seal of the Greater Kansas City Foreign Trade Zone, Inc. is a circular emblem. It features a blue outer ring with the text "GREATER KANSAS CITY" in white, serif capital letters. Inside this ring is a white circle containing a blue silhouette of the state of Missouri. The word "FOREIGN" is written in blue, serif capital letters across the middle of the white circle, partially overlapping the Missouri map. The word "TRADE" is written in blue, serif capital letters at the bottom of the white circle, also partially overlapping the map. The entire seal is set against a light blue background.

## PRIMER

### GREATER KANSAS CITY FOREIGN TRADE ZONE, INC.

Greater Kansas City Foreign Trade Zone, Inc. ("GKCFTZ") is a not-for-profit corporation registered in the States of Missouri (since 7/30/71) and Kansas (since 4/13/1973). GKCFTZ applied and received a Grant of Authority from the U.S. Foreign Trade Zone's Board in Washington, D.C. to establish, operate and maintain Foreign Trade Zone 15 (Missouri) and Foreign Trade Zone 17 (Kansas) on December 20, 1973 and March 23, 1973, respectively ("FTZ"). The GKCFTZ serves as "Grantee" for foreign trade zone status under the U.S. Foreign Trade Zone Act of 1934, as amended (19 U.S.C. 81a-81u; hereafter the "Act").

## BACKGROUND

**Area Served:** Under the Act, the service boundaries of the FTZ boundaries are 60 miles or 90 minutes from the location of the Department of Homeland Security's Bureau of Customs and Border Protection office (formerly U.S. Customs Service Office) in Kansas City, Missouri. GKCFTZ currently has FTZ projects as far north as St. Joseph and Chillicothe, MO, as far east as Herman, MO, as far south as Carthage, MO, and as far west as Topeka, KS. Within that area, there is over 733 million square feet of designated FTZ space making the area the largest FTZ's in the nation. The Grants of Authority to GKCFTZ were the first Grants awarded to not-for-profit organizations in the nation. Zones 15 and 17 do more FTZ business (volume measured by \$\$ value) than Chicago, St. Louis, Denver and other ports of Entry in the heartland of America.

In pre-NAFTA times, the FTZ's space was used extensively by the auto industry; the major production plants operated by Ford and General Motors in the Kansas City area accounted for a significant portion of activated FTZ space. Elimination of duties and tariffs on automobile components from Mexico and Canada have resulted in deactivation of FTZ space once devoted to auto assembly. At the present time, approximately 2% of all designated FTZ space in GKCFTZ's service area is "activated" for FTZ use.

**Purpose of FTZ:** The intent of the FTZ program is to stimulate economic growth in the United States. It was designed to promote American competitiveness by encouraging companies to maintain and expand their companies in the U.S. The program encourages U.S. based operations by removing disincentives associated with manufacturing in the U.S. The duty on a products manufactured abroad and imported into the US is assessed on the finished product rather than on its individual parts, materials and components. The US based manufacturer is at a disadvantage when compared with its foreign competitor when it must pay a higher rate on parts, materials and components imported for use in a manufacturing process. The FTZ program corrects this imbalance by treating products made in a zone for the purpose of tariff assessment, as if they were manufactured abroad.

At the same time, this country benefits because the zone manufacturer uses U.S. labor, services, and other inputs in the manufacturing process.

FTZ areas are designated by local communities and approved by GKCFTZ and the U.S. Foreign Trade Zone Board, Washington, D.C. (“USFTZ ”). Goods and merchandise admitted to an FTZ, can be assembled, exhibited, cleaned, manipulated, manufactured, mixed, processed, relabeled, repackaged, repaired, salvaged, sampled, stored, tested, displayed and destroyed. There are basically two types of FTZ’s; General Purpose (“GP”) FTZ and Subzones. Goods and merchandise admitted to the FTZ pay no U.S. Customs Duties or Federal Excise Taxes or state inventory taxes. There are also other import fees that are avoided or delayed. When goods leave an FTZ and are “entered” into the commerce of the United States they become subject to Customs duties and fees and federal taxes. In the meantime, importers have saved the “time value” of the money they would otherwise pay in duties, taxes, and fees. If the tariff classification of goods and merchandise are changed in the FTZ (i.e., foreign parts are assembled or mixed into a different product), then, in recognition of the value-added work the duties on the imported product are reduced. Goods and merchandise leaving an FTZ for export to another country pay no duties, taxes or fees (they never enter the commerce of the United States); imported goods destroyed in an FTZ (due to damage, or destroyed in processing) are not subject to duties, taxes, or fees.

#### **FTZ Application and Activation Processes:**

**Application:** In order for a company to secure designation as an FTZ –GP Zone or a Subzone, an application needs to be prepared by and/or with the concurrence of the GKCFTZ and submitted to the USFTZ . The USFTZ is composed of the Secretary of Commerce and the Secretary of the Treasury. In addition to the Act, application processes and FTZ operations are governed by U.S. Foreign Trade Zone Board Regulations (CFR, Title 15, Volume II, Part 400, Title 1 through 400.53) and U.S. Customs Regulations (19 CFR Chapter 1, Subsection 146.0 through 147.46).

Applications must contain a sufficient level of detail about the activities that will be conducted within the FTZ to permit evaluation of the application and its economic impact. Required information includes the location of the proposed FTZ; nature and volume of goods and merchandise and their respective Tariff Classification (Harmonized Tariff Schedule of the United States or “HTSUS” classification) to be admitted to the FTZ; the nature of processing to take place (if any); HTSUS and quantity of products or merchandise that will leave the FTZ for import or export; and economic impact these activities will have for the community, the industry itself, other domestic industries that might be affected, and the justification of those impacts as they relate to foreign competition. **All zones and sited identified below have applied and secured FTZ designation.**

**Activation:** If and when applications for FTZ designation are approved by the USFTZ, a separate process involving GKCFTZ and the Port Director for the Port of Kansas City is undertaken in order to “activate” designated FTZ space. The GKCFTZ, as “Grantee” is responsible operating the FTZ in accordance with the Act and applicable

regulations. The Act and regulations allow, however. For GKCFTZ to designate a Zone Operator who is charged with day-to-day responsibilities of FTZ operation. An Agreement between the GKCFTZ and Zone Operator (the Company owning or operating the ZONE or Subzone facilities in the FTZ) covering the myriad unique to specific aspects of the FTZ designation needs to be developed and executed. An Operations Manual that describes and depicts the space to be activated and prescribing procedures for safeguarding the revenue of the U.S. Government represented by the goods admitted to and leaving the FTZ (accounting for goods/merchandise; security; reporting requirements, etc) needs to be prepared and approved by the Port Director. **Zone sites identified below and highlighted in yellow** have active FTZ operations and/or are able to accept merchandise under FTZ procedures. **Zone sites identified below and highlighted in grey** are not active FTZ operations at this time.

**Timing:** The process to secure FTZ designation can take as little as 3-5 months (for ZONE applications and administrative actions that only require the approval of the USFTZ Executive Secretary) or as long as 11-18 months depending on the nature and complications of the application. Subzone applications (particularly those in industry groups that are new to the FTZ program) generally take the longer amount of time so the USFTZ can carefully evaluate the net economic impact the FTZ designation may have on allied domestic industries, suppliers, etc. The public hearing portion of these types of applications is frequently extended to allow for the maximum public participation. Generally, applications must result in a positive net economic benefit to the economy of the area and area industries. The activation process described above takes another 2 to 6 months depending upon complexity of the activities to be undertaken in the FTZ.

### **FTZ GENERAL PURPOSE ZONES:**

#### **Zone 15, Site 1 and 1a**

<b>Operator:</b>	No Active Zone Operations. For Information Contact:	
	<u>Site 1</u> - ROBA Enterprises, LLC	<u>Site 1a</u> Mid-West Terminal Whse
	c/o BA Karbank and Co.	1700 N. Universal Ave
	Kansas City, MO 64105	Kansas City, MO 64120
		(816)231-8811

**Location/Facilities:** *Site 1:* 5.7-acre site containing a 250,000 square foot warehouse at 1690 North Topping, Kansas City, Missouri. *Site 1a:* 2.76 acre warehouse facility located at 1226 Topping Drive, Kansas City, Missouri.

#### **Zone 15, Site 2**

<b>Operator:</b>	Hunt Midwest Real Estate Development, Inc.	<b>Contact:</b> Ms. Connie Kamps
	8300 N.E. Underground Drive	(816) 455-2500
	Kansas City, Missouri 64161	(816) 455-4462 FAX)
		<a href="mailto:ckamps@huntmidwest.com">ckamps@huntmidwest.com</a>

**Location/Facilities:** 64.3-acre site, 2,815,000 square feet, surface/underground warehouse complex, 8300 N.E. Underground Drive, Kansas City.

## ALSO

**Operator:** Operated as Annex to Bayer CropScience. Owner:

Terminal Consolidation Kansas City Piggyback  
David Aubrey , Contact (David.Aubrey@kcpiggy.com)  
3600 Great Midwest Drive  
Kansas City, Missouri 64161  
(816) 453-5101  
(816) 453-0753 (FAX)

**Location/Facilities:** 75,000 sq. ft site located at 3600 Great Midwest Drive.

### **Zone 15: Sites 3, 3A, and 3B**

#### **Site 3**

**Operator:** Kansas City International Airport **Contact:** Gary Bartek  
Kansas City Aviation Department (816)243-3160  
P.O. Box 20047 (816) 243-3171  
Kansas City, Missouri 64195-0047 gary\_bartek@kcmo.org

**Location/Facilities:** 9,615 acres located at Kansas City International Airport including three air cargo facilities, 75,000 square feet of warehouse/processing space, and jet fuel storage/distribution facilities.

#### **Site 3A**

**Operator:** No Active Zone Operations. For Information:  
Murphy, Stephens, et, al., (Owner)  
10 S. Brentwood Blvd., Suite 215  
Clayton, MO 63105

**Location/Facilities:** 1 acre with a 33500 sq. ft warehouse located at 10201 N. Everton,  
Kansas City, Missouri

#### **Site 3B Parcel 1**

**(See map in Exhibit A attached)**

#### **Lot a**

**Operator:** No Active Zone Operation. For Information:  
Contact: DeLaval, Inc  
11100 N. Congress Ave.  
Kansas City, MO 64153

#### **Lot b**

**Operator:** No Active Zone Operation. . For Information:  
Weber, Inc  
8686 NW 107<sup>th</sup> Terrace  
Kansas City, MO 54153

Lot c

**Operator:** Sony Corporation      **Contact:** Ms. Stacy Golden  
World Repair Parts Center (Americas)      (816) 880-6922  
8281 NW 107 Terrace      (816) 880-6929  
Kansas City, Missouri 64153      [stacy.golden@am.sony.com](mailto:stacy.golden@am.sony.com)  
**Location/Facilities:** 276,200 square feet warehousing/distribution facility

Lot f

**Operator:** No Active Zone Operation. For Information:  
Principal Mutual Life Insurance Co. CRE-Equities  
711 High Street  
Des Moines, Iowa 50392

Lots g and h

**Operator:** No Active Zone Operation. For Information:  
Block & Company  
605 W. 47<sup>th</sup> Street  
Kansas City, MO 64112

**Location/Facilities:** *Parcel 1* - 68 acres within the 330 Acre Air World Center Business Park at Interstate 29 and 112<sup>th</sup> Street (**See Exhibit A**)

Parcels 2 and 3

**Operator:** No Active Zone Operation. For information:  
Greater Kansas City Foreign Trade Zone, Inc.  
20 E. 5<sup>th</sup> Street, Suite 200  
Kansas City, Missouri 64106  
(816)-474-2227

**Location/Facilities:** *Parcel 2* – 155 acres within the Congress Corporate Center Industrial Park in the NW corner of 112<sup>th</sup> Street and N. Congress, Kansas City Missouri (**labeled “e” on Exhibit A**). *Parcel 3* – 161 acres on the NE Corner of 112<sup>th</sup> Street and N. Congress (**labeled “d” on Exhibit A**).

Zone 15, Site 4

**Operator:** No Active Zone Operations. For Information:  
LS Commercial Real Estate  
8301 W. 125<sup>th</sup> St. Suite 210  
Overland Park, KS 66213  
(913) 681-5888

**Location/Facilities:** 416 acres at Carefree Industrial Park, a surface and subsurface business park located at 1600 North Missouri Highway 291 in Sugar Creek.

**Zone15, Site 5**

**Operator:** No Active Zone Operations . For information:  
Greater Kansas City Foreign Trade Zone, Inc  
20 E. 5<sup>th</sup> Street, Suite 200  
Kansas City, MO 64106  
(816) 474-2227

**Location/Facilities:** 5.75 million square foot underground business park on a 1,000 acre surface industrial park located at No. 1 Civil War Road, Carthage, MO.

**Zone 15, Site 7**

**Operator:** No Active Zone Operations: For Information:  
Greater Kansas City Foreign Trade Zone, Inc  
20 E. 5<sup>th</sup> Street, Suite 200  
Kansas City, MO 64106  
(816) 474-2227

ACTIVATION  
DISCUSSIONS  
WITH MAZDA  
(MARCH, 2006)

**Location/Facilities:** 1,750 acres, former Airport/Industrial Park Complex converted to Kansas City Southern RR Intermodal Facility at 1540 Maxwell, Kansas City, Missouri.

**Zone 15: Site 8**

**Operator:** No Active Zone Operations. For Information:

Chillicothe Development Corporation  
P.O Box 407 – 514 Washington  
Chillicothe, Missouri 64601  
(660) 646-4071

**Location/Facilities:** 19.5 acres of General Purpose zone space on one parcel located at the intersection of Ryan Road & Brunswick in Chillicothe, Missouri.

**Zone 15: Site 9**

<b><u>Operator:</u></b> Pony Express Warehousing, Inc.	<b><u>Contact:</u></b> Mr. Steve Crawford or
2307 Alabama	Janeen Tournbough
P.O. Box 3206	(816) 232-2435
St. Joseph, Missouri 64503	(816) 233-6106
	<a href="mailto:janeen@pewhse.com">janeen@pewhse.com</a>

**Location/Facilities:** 50 acres consisting of 2 parcels in St. Joseph, Missouri. Parcel 1 (Active): 200,000 square foot warehouse on 25 acres located at 2307 Alabama Street. Parcel 2: 169,000 square foot warehouse on 25 acres located at 2326 Lower Lake Road St. Joseph, Missouri.

**Zone 17, Site 1**

**Operator:** No Active Zone Operations: For Information:  
Greater Kansas City Foreign Trade Zone, Inc  
20 E. 5<sup>th</sup> Street, Suite 200  
Kansas City, MO 64106  
(816) 474-2227

**Location/Facilities:** 7.5-acre site including the 405,000 square foot underground warehouse/processing facility at 6500 Inland Drive Kansas City, KS

**Zone 17, Site 2**

**Operator:** No Active Zone operations. For Information:  
Belger Family Trust  
c/o David Zimmer - Zimmer Companies  
1222 Washington  
Kansas City, MO. 64105  
(816) 474-2000

**Location/Facilities:** 5.1-acre site including the 220,000 square foot warehousing facility located at 5203 Speaker Road, Kansas City, KS.

**Zone17, Site 3**

**Operator:** No Active Zone Operations: For Information:  
Mr. Rich Maurer, VP & General Manager  
International Transit & Storage  
830 Kindelberger Road  
Kansas City, Kansas 66115  
(913) 371-5155

**Location/Facilities:** 5-acre site containing a 26,000 square-foot warehouse at 30 Funston Road, Kansas City, KS.

**Zone 17, Site 4**

<b><u>Operator:</u></b> International Transit & Storage 830 Kindelberger Road Kansas City, Kansas 66115	<b><u>Contact:</u></b> Mr. Rich Maurer (913) 371-5155 (913) 371-6542 (FAX) <a href="mailto:its66115@swbell.net">its66115@swbell.net</a>
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**Location/Facilities:** 200,000 sq. ft. warehouse located at 830 Kindelberger Road in Kansas City Kansas. 50,000sq.ft of activated FTZ space and US Customs Bonded warehouse space also available.

**Zone 17, Site 5 and Site 5A Operator:**

**Site 5:**

**Operator:** No Active Zone Operations: For Information:

Leavenworth County Port Authority  
1298 Eisenhower Road, P.O. Box 151  
Leavenworth, KS 66048  
(913)727-6111

**Location/Facilities:** 21 acres (Lots 4 and 5) located within the Leavenworth Area Business Center at 13<sup>th</sup> and Eisenhower Road, Leavenworth, Kansas.

**Site 5A**

**(FTZ Manufacturing Authority Granted for Flavor Particulates and Mixes.)**

**Operator:** Cereal Ingredients, Inc  
4720 S. 13<sup>th</sup> Street  
Leavenworth, Kansas 66048

**Contact:** Kim Bledsoe  
Robert Hatch  
(913) 727-3434

**Location/Facilities:** 40,000 sq. ft. processing facility on 7.96 acres in Leavenworth Area Business Center, Leavenworth, Kansas.

**Zone 17, Site 6 and Site 7**

**Operator:** No Active Zone Operations. For information:

David Stremming, President  
Metropolitan Topeka Airport Authority  
Forbes Field Bldg. 620 - P.O. Box 19053  
Topeka, Kansas 66619  
(785)862-1830

**Location/Facilities:** *Site 6* - 2,400 acre Forbes Field Airport/Topeka Air Industrial Park located at 6700 South Topeka Boulevard, Topeka, Kansas. *Site 7* - 972-acre Philip Billard Airport/Industrial Park complex located at 3600 Sardue, Topeka, Kansas.

**FTZ SUBZONES:**

**Subzone 15 A**

**Name:** Ford Motor Company Claycomo Plant  
**Location:** Kansas City, Missouri.  
**Contact:** Wallace Gable (248) 603-6841

**Subzone 15 C**

**Name:** Yuhshin U.S.A. Ltd. (Ortech)  
**Location:** 2806 N. Industrial Rd,  
Kirksville, MO 63501  
**Contact:** Kaela Pumroy (660) 627-  
1655 x 120



**Subzone 15D**

**Name:** Bayer CropScience, LLC

**Location:** 8400 Hawthorn Rd, KC, MO 64120

**Contact:** Sharon Boujemaa (816)242-2678

**Subzone 15 E**

**Name:** Kawasaki Motors Mfg Corp

**Location:** 28147 Business Hwy 71;  
Maryville, MO 64468

**Contact:** Kari Simpson (660) 582-  
5829 x 1212

**Subzone 15 G**

**Name:** Pfizer, Inc

**Location:** One Pfizer Way; Lee's Summit,  
Missouri 64081

**Contact:** Rick Norton (816) 246-2213

**Subzone 15H**

**Name:** Midwest Quality Gloves. Inc

**Location:** 835 Industrial Road P.O.  
Box 260 Chillicothe, MO. 64601

**Contact:** Julie McCoy (660) 646-  
2165

**Subzone 17B**

**Name:** Bayer HealthCare, LLC

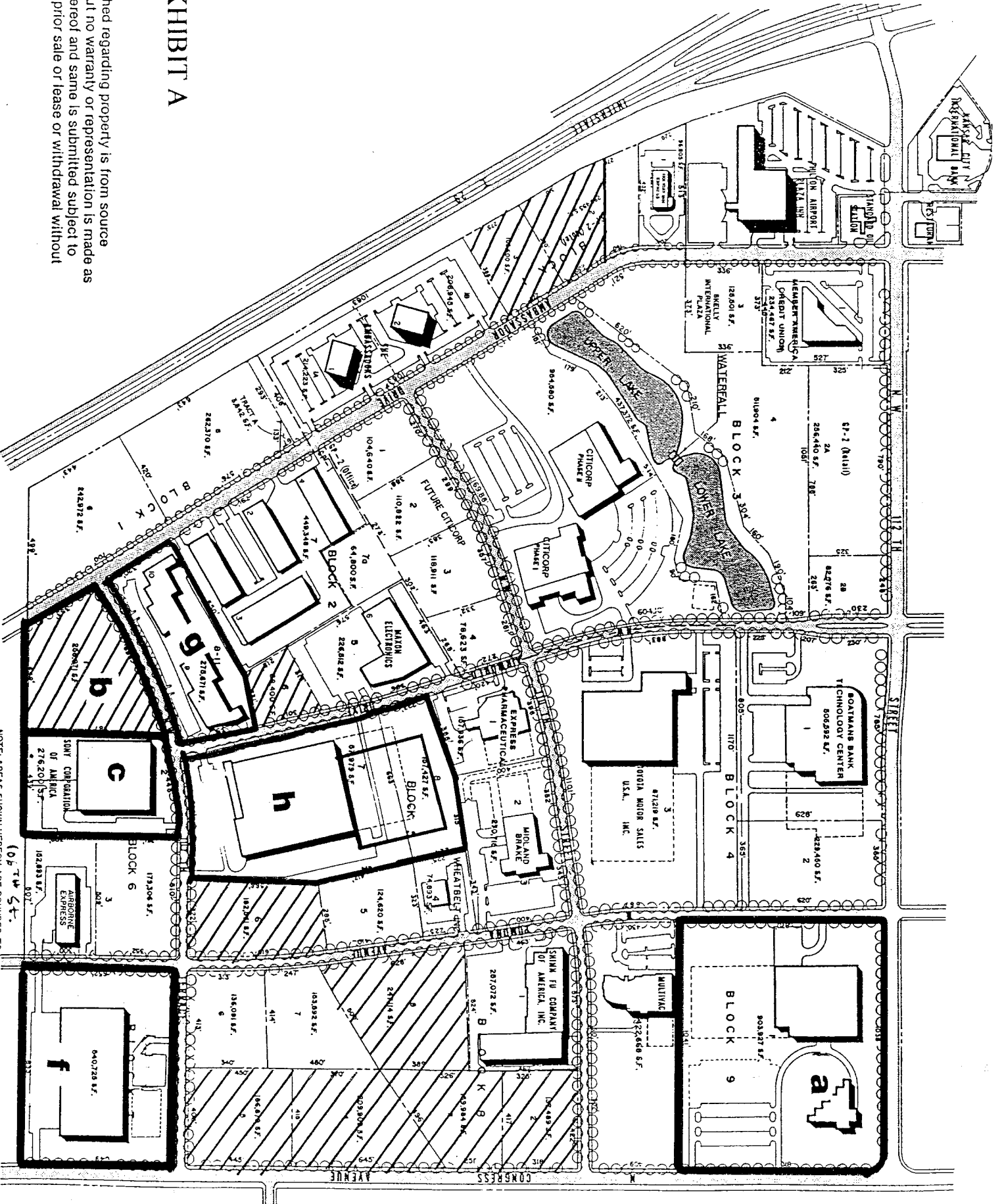
**Location:** Shawnee Mission Parkway, P.O. Box 390; Shawnee Mission, Kansas 66201.

**Contact:** Laura Gipson (913) 268-2808

## EXHIBIT A

# EXHIBIT A

Information furnished regarding property is from source deemed reliable but no warranty or representation is made as to the accuracy thereof and same is submitted subject to errors, omissions, prior sale or lease or withdrawal without notice.



## EXHIBIT B

